

Scam Alert: Home, Stolen Home

Forged deeds can give crooks the keys to your castle

By: [Sid Kirchheimer](#) | Source: From the AARP Bulletin print edition | July 1, 2009

Teresa Bidwell learned that her house had been stolen when contractors she hired to make minor renovations found another crew already there—and much of the Philadelphia row home gutted.

“My guys called me to ask if I had hired other contractors,” says the 45-year-old business owner. “I hadn’t.”

Instead, her property had been sold for just \$5,000, and the new “owner” hired the unexpected workmen. “Unknown to me, the deed was transferred to her name, and she had that as proof I had ‘sold’ it,” Bidwell told the *AARP Bulletin*. Her signature had been forged. “I spent more than one year, \$16,000 and a lot of hassles to get back my house.”

House stealing: easier than you might think

House stealing is a fast-growing and easy scam. Once a home is targeted—vacant ones are preferred, but occupied residences are also vulnerable—scammers find out who owns it by searching public records.

“When I went to City Hall, there were maybe 20 people in the deed recorder’s office, using its computers to research properties owned by those who, like me, live outside the city. When I told the clerk, ‘I’m here because my house was stolen,’ they scattered like cockroaches,” Bidwell says.

Armed with property records, crooks can then purchase \$10 property transfer forms at any office supply store. The signatures of “sellers” are forged, and paperwork is filed with the city or county recorder’s office. In many states, deed recorders and those who oversee property closings are not required to authenticate the identities of buyers or sellers. Some crooks simply create fake IDs, stealing the real homeowner’s identity.

With a newly issued deed, stolen homes are sometimes sold, as in Bidwell’s case, for a fraction of their worth to cash-paying buyers (who are also scammed). But more often, hijacked homes are used as collateral to get new loans.

Lenders are more likely to issue new loans to homeowners with no existing mortgage. “The elderly are most often targeted because they usually don’t have a mortgage,” says Molly Butters of the Indiana Attorney General’s Office.

To prove how easy this scam is, William Sherman, a Pulitzer Prize-winning reporter at the *Daily News* in New York, bought the Empire State Building with doctored

documents. "After downloading the correct existing deed, I transferred it from its rightful owners to my own phony company, Nelots ("stolen" spelled backward) Properties LLC, using paperwork I bought at Staples," he told the *Bulletin*. "It took about 90 minutes, and the next day the property was mine, according to the New York Register's office." Sherman promptly "returned" the landmark skyscraper.

How do you protect your own home?

- From time to time, check all property records with your local deed recorder or register's office to ensure all documents and signatures are legitimate.
- If you receive a payment book or other information about a loan that isn't yours, "whether your name is on the envelope or not, don't just throw it away," advises the FBI website. "Open it, and follow up with the company that sent it."
- Some deed-recording offices use software that alerts homeowners whenever a transfer is made on their property. If yours doesn't, ask why not.
- If you discover your home has been stolen, immediately report it to your district attorney or state attorney general's office.

Sid Kirchheimer is the author of Scam-Proof Your Life, published by AARP Books/Sterling.

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